

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Session

November 15, 2004  
8:00 p.m.

Council Chambers  
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Noble, and Councilmembers Balducci, Chelminiak, Davidson, Degginger and Lee

ABSENT: None.

1. Call to Order

The meeting was called to order at 8:03 p.m. by Mayor Marshall, who presided.

2. Roll Call, Flag Salute

Upon roll call by the City Clerk, all Councilmembers were present. Ms. Balducci led the flag salute.

3. Communications: Written and Oral

- (a) Mary McGhee introduced herself as a handicapped adult who was awarded a civil judgment from Rite Aid related to a 2001 rape and assault that occurred in their downtown Bellevue store. She is frustrated because Bellevue Police Department has never taken a suspect statement from the rapist, who was fired from Rite Aid and then hired as a Metro Access driver. He was released from Metro after Ms. McGhee alerted the King County Prosecutor's Office to his actions. Ms. McGhee said there is medical and other evidence that has not been considered by Bellevue Police. She asked police personnel to respond to calls from her doctors regarding this matter. Ms. McGhee is concerned about public safety and would like the predator taken off the streets.
- (b) Lee Stubbe, Wasatch Management and Development, urged Council to reject Ordinance No. 5561 (Agenda Item 8(m)). He represents the property owner of the superblock between 106<sup>th</sup> and 108<sup>th</sup> Avenues NE and between NE 10<sup>th</sup> and NE 8<sup>th</sup> Streets. Wasatch representatives met with City Transportation staff two weeks ago, at which time the bus layover zone was mentioned briefly. However, this morning is the first time he became aware of Council action on the matter. Wasatch is developing a major residential project on the block and would like to be involved in the decision for siting the bus layover

space. The proposed location would block pedestrian access to the Wasatch development. Mr. Stubbe provided his address and phone number and asked to be contacted.

- (c) Renay Bennett, President of the 108<sup>th</sup> Avenue SE Neighborhood Association, thanked Council for its Comprehensive Plan recommendation to allow consideration of public open spaces between 108<sup>th</sup> and Bellevue Way on the south side of Main Street. She thanked Councilmember Chelminiak for his work on this issue. Regarding the proposed expansion of the Lochleven Substation, she encouraged Council to locate such facilities outside of neighborhoods.
- (d) Bruce Nurse, Kemper Development, expressed appreciation to Councilmembers for their service to the community. Kemper Development is concerned about plans to locate a bus layover zone on NE 10<sup>th</sup> Street, adjacent to Bellevue Place. Mr. Nurse said business owners formed a local investment district (LID) to help fund the development of NE 10<sup>th</sup> Street, which was originally designed as a main arterial. Contributions to the LID totaled approximately \$12 million, including Bellevue Place's assessment exceeding \$1 million. Kemper Development strongly objects to any use of the street other than for vehicle capacity and parking spaces.
- (e) David Plummer expressed concern about the continued escalation of utility rates and urged Council to take a long-range view of the issue. He asked Council to reject the rate recommendation of the Environmental Services Commission and Utilities Department staff.

4. Reports of Community Councils, Boards and Commissions

Lynne Allison, Arts Commission Chair, and Roxanne Shepherd, Commissioner Lead for the Cultural Compass project, presented the Cultural Compass early implementation package proposal. Ms. Allison explained that the Arts Commission examined and prioritized the list of 29 strategies, focusing on priorities that would achieve early wins and benefit broad segments of the community. Three key areas for achieving early wins that also yield long-term gains are: 1) Raise regional awareness of the vibrant arts and cultural activity in Bellevue today and provide a vision for the future, 2) Strengthen cultural groups by addressing space needs, and 3) Find ways to better serve culturally diverse audiences.

Ms. Shepherd referred to the memo in Council's desk packet and noted four initiatives for raising regional awareness, ranging from joining a major regional media campaign to piloting a program for displaying employee art at Bellevue businesses. She commented on the importance of updating the community inventory of space needs and identifying space for arts groups. Ms. Shepherd said the goal to build culturally diverse audiences responds in part to the recent census indicating that 24.5 percent of Bellevue's population is foreign born.

Ms. Shepherd noted two longer-term initiatives identified by the Commission: 1) Retool the public art program based on best practices from around the country and interests within the community, and expand program capacity through additional project management support, and

2) Develop recommendations for Council on how the City implements the Cultural Compass plan.

Ms. Allison said funding needed for the total implementation package is \$328,000. Approximately two-thirds of this can come from existing funds, primarily from the public art program. Of the nine initiatives outlined in the table in the Arts Commission's memo, existing funding can implement two items and partially implement two additional items.

Mayor Marshall thanked the Commissioners for their report.

5. Report of the City Manager

City Manager Steve Sarkozy asked staff to provide an update on the Neighborhood Investment Strategy in West Lake Hills. Cheryl Kuhn, Neighborhood Outreach Manager, noted the status report beginning on page 5-1 of the Council packet. After nearly two years, the majority of 44 projects have been implemented. New walkways have been completed on SE 13<sup>th</sup> Street, portions of 143<sup>rd</sup> Street, portions of SE 16<sup>th</sup> Street, and large segments of 156<sup>th</sup> Avenue. Additional pedestrian improvements will be made in 2005 on 156<sup>th</sup> Avenue, SE 16<sup>th</sup> Street, SE 22<sup>nd</sup> Street, and Lake Hills Boulevard. Improvements along 145<sup>th</sup> Place will start construction in 2006.

Additional accomplishments include landscaping projects on four arterials, three traffic calming projects, eight matching fund projects, new signage in Lake Hills Greenbelt, and the selection of locations for neighborhood identity treatments to be built in 2005. Stakeholders in the Lake Hills Shopping Center area have created a redevelopment concept for the center. The Federal Emergency Management Agency's (FEMA) reduction of the floodplain area near Kelsey Creek Shopping Center allows future redevelopment of that center. Ms. Kuhn said the NIS project in West Lake Hills produced a Spanish language section and information regarding home and neighborhood maintenance on the City's web site. Additional activities include a community cleanup effort, a major community celebration, and a newly emerging neighborhood association within West Lake Hills.

Mayor Marshall thanked staff for their work on behalf of West Lake Hills residents.

Moving on, Ms. Kuhn noted the 10-year anniversary of the Crossroads Mini City Hall. The office is open Monday through Saturday and provides convenient access to City programs and services. Russian, Spanish, Chinese, and Korean translation are available according to a set schedule. Ms. Kuhn introduced Barb Tuininga, coordinator of the Crossroads Mini City Hall. Ms. Tuininga feels the office provides a connection for residents who otherwise most likely would not have contact with city government. She described partnerships that have evolved over the years including the joint effort of Bellevue Community College, Crossroads Bellevue shopping center, and the Crossroads Connections library to provide ESL classes at times convenient for working residents. Additional partnership programs provide resume and job search assistance, help with completing tax forms, and referrals to social services. Ms. Tuininga commended Mini City Hall staff and volunteers on their hard work for the community.

Mayor Marshall thanked Ms. Tuininga and volunteers for their dedication.

6. Council Business

Mayor Marshall suggested skipping this item in the interest of moving the meeting along.

7. Approval of the Agenda

➡ Deputy Mayor Noble moved to amend the agenda to add Item 11(b), Contingencies for New City Hall. Ms. Balducci seconded the motion.

➡ The motion to approve the agenda, as amended, carried by a vote of 7-0.

8. Consent Calendar

Mayor Marshall noted Councilmember Chelminiak's request to pull Item 8(m) for Council discussion.

➡ Mr. Noble moved to approve the Consent Calendar, with the exception of Item 8(m). Mr. Lee seconded the motion.

➡ The motion to approve the Consent Calendar, as amended, carried by a vote of 7-0, and the following items were approved:

- (a) Minutes of October 25, 2004 Extended Study Session  
Minutes of November 1, 2004 Study Session  
Minutes of November 1, 2004 Regular Session
- (b) Motion to approve payment of claims for the period October 30 through November 12, 2004, and payroll for the period of October 16 through October 31, 2004.
- (c) Ordinance No. 5519 authorizing adoption and amendment to procedures with regard to public works contract leases, purchases, the procurement of recycled and recyclable products, and contracts; amending various sections of the Bellevue City Purchasing Code; amending various sections of Ordinance Nos. 3593, 4320, 4049, 4888, and 4968; repealing various sections of 4.28 of the Bellevue City Purchasing Code; repealing various sections of Ordinance Nos. 4320, 4040, and 3593; and establishing an effective date. (*Discussed with Council on November 8, 2004.*)
- (d) Ordinance No. 5558 authorizing amendment to the Bellevue City Code for various sections of Chapter 4.09, Business and Occupation (B&O) Tax Code, and Chapter 4.03, Tax Administration Code, and various sections of Ordinance No. 5436; adding section 4.09.076; and establishing an effective date.

- (e) Resolution No. 7100 authorizing execution of a planned equipment purchase and Professional Services Agreement with Dell, Inc., in an amount not to exceed \$706,000 to replace hardware/software associated with data storage, backups, and recovery.
- (f) Resolution No. 7101 authorizing execution of an amendment to the agreement with Cabot Dow to extend the duration of the agreement through December 31, 2005, to complete contract negotiations, mediation, or interest arbitration for three labor agreements.
- (g) Resolution No. 7102 authorizing execution of a Professional Services Agreement with Jones & Jones Architects and Landscape Architects in an amount not to exceed \$513,000 for architectural, engineering, and site design services to construct the Mercer Slough Environmental Education Center (MSEEC) at the Mercer Slough Nature Park; authorizing up to an additional \$20,000 for reimbursable expenses in association with the design phases of the MSEEC; and authorizing future contract amendments up to a total not to exceed \$25,000 to address currently unknown and potentially complex site conditions associated with the slough. (CIP Plan No. P-AD-69)
- (h) Resolution No. 7103 authorizing execution of an amendment to the Professional Services Agreement with Herrera Environmental Consultants, Inc., for a total contract amount not to exceed \$110,000 to provide consulting services related to conducting a Best Available Science review of proposed Land Use Code Amendments.
- (i) Ordinance No. 5559 authorizing adoption of the new Transportation Impact Fee Schedule with Impact Fee Areas Map and Trip Generation Rates. *(Council discussed this item during the November 1, 2004, Study Session.)*
- (j) Ordinance No. 5560 authorizing an amendment to the 2003-2009 Capital Investment Program (CIP) Plan budget by increasing the budget for the NE 29<sup>th</sup> Connection by \$808,014 of additional Redmond BROTS contributions. (CIP Plan No. PW-R-60) *(Resolution No. 7060 adopted August 2, 2004, amended the interlocal agreement with the City of Redmond that directs cost-sharing arrangements for the NE 29<sup>th</sup> Place connection project.)*
- (k) Resolution No. 7104 authorizing execution of an agreement with HDR Engineering, Inc., for technical analysis services in support of long-range transportation planning for the greater Overlake Hospital area; and revising the 2003-2009 Capital Investment Program (CIP) Plan by increasing the budget for I-405 Access Design Options by \$115,451 through the transfer of \$100,000 in federal Transportation and Community System Preservation funds from the NE 10<sup>th</sup> Street Extension project, and \$15,451 in General CIP funds from Transportation Planning Studies. (CIP Plan Nos. PW-R-148, PW-R-149, and PW-R-44)

- (l) Resolution No. 7105 authorizing execution of Amendment No. 1 to the consultant agreement with Reid Middleton, Inc., in the amount of \$45,000 to provide on-call engineering services for West Lake Sammamish Parkway analysis. (CIP Plan No. PW-R-141) *(Discussed with Council on October 11, 2004.)*

Item for Council Discussion:

- (m) Ordinance No. 5561 authorizing creation of two on-street layover/recovery spaces on NE 10<sup>th</sup> Street between 106<sup>th</sup> Avenue NE and 108<sup>th</sup> Avenue NE to replace spaces lost due to the Access Downtown NE 6<sup>th</sup> Street construction project. *(Discussed with Council on October 11, 2004.)*

Councilmember Chelminiak described his ongoing concern regarding bus layover spaces on NE 10<sup>th</sup> Street. The proposed location would be the second bus layover space within about one-third of a mile. The need for interim bus layover space is due to the Access Downtown NE 6<sup>th</sup> Street construction project, a joint City, King County, and Sound Transit effort. Mr. Chelminiak suggested funds from this capital project should be allocated to address the issue. He will not support approval of the ordinance.

Dr. Davidson noted his ongoing position that bus layover zones on downtown streets funded through the LID have restricted the flow of traffic. He is concerned with the lack of commitment to finding a long-term solution to the problem. He will not support the ordinance.

Mr. Lee asked staff to provide more information regarding the selected bus layover location. Transportation Director Goran Sparrman said staff shares the Council's concern regarding the identification of bus layover spaces. He emphasized the location will be temporary and Council has the authority to change bus layover locations at any time.

Mr. Sparrman distributed a map of layover facilities evaluated during the past year by City and Metro staff. The selection of layover spaces is based on how many buses can be accommodated at a location, the capital cost of implementing a temporary facility, on-street parking impacts, bus travel time, and bus drivers' access to restroom and other facilities. City staff reluctantly agreed with Metro regarding the location on NE 10<sup>th</sup> Street, which appears to be the best location at this time.

Mr. Sparrman said NE 10<sup>th</sup> Street is not heavily utilized at this time although traffic will increase in the future. If Council opposes this location, the next best choices are two sites on 106<sup>th</sup> Avenue NE, south of NE 8<sup>th</sup> Street. Both locations involve capital costs for concrete work to accommodate the buses, the loss of street parking, left-turn restrictions on the driveway from Barnes and Noble, and a point of potential friction for the northbound right turn from 106<sup>th</sup> Avenue onto NE 8<sup>th</sup> Street. City staff felt these operational impacts were significant enough to favor the NE 10<sup>th</sup> Street site.

Responding to Councilmember Balducci, Ms. Sparrman said location 7 (NE 6<sup>th</sup> Street west of 112<sup>th</sup> Avenue) was not considered feasible due to construction traffic in the area now and future

increased traffic after the NE 6<sup>th</sup> Street direct access ramps open in December. Site 8 (south side of New City Hall) would involve a significant capital expenditure for a temporary facility.

Responding to Mayor Marshall, Mr. Sparrman recalled that a broad analysis was shared with the Bellevue Downtown Association/Bellevue Chamber of Commerce joint transportation committee. They were not asked for a recommendation, however. Mr. Sparrman said the BDA land use committee recently discussed its interest in the concept of a joint development proposal (government and private entities) for a permanent bus layover facility.

Responding to Mayor Marshall, Mr. Sparrman said King County/Metro has expressed strong concerns regarding the length of the City's review and decision process. He noted the City's interest in maintaining momentum for a permanent layover facility project in the King County budget. King County is not willing to relinquish the existing layover site immediately north of the New City Hall until a temporary replacement space is designated.

Mayor Marshall noted Council's willingness to listen to PACCAR when they provided input fairly late into the process of discussing sign code amendments for high-rise buildings. She asked Council to provide the same flexibility with Wasatch Management and Development, whose concerns were expressed during this evening's Oral Communications. Mrs. Marshall said Bellevue's transit service will double by 2020 and the City must identify layover alternatives.

Mr. Sparrman clarified that Wasatch's development proposal is very early in the process. No permit application or drawing submittals have been received by the City. Mr. Sparrman said the layover space could be reevaluated upon Wasatch's development of the site. Mayor Marshall would prefer to see staff discuss the issue with Wasatch before proceeding.

Responding to Dr. Davidson, Mr. Sparrman described conversations with King County in recent years regarding the feasibility of using the county-owned site just north of the New City Hall. Both the City and King County concluded the cost of this option is not justified. Dr. Davidson commented that providing bus layover spaces on downtown streets is costly to the City.

Councilmember Chelminiak said there is currently no money for a permanent facility in King County's six-year budget. However, he feels the King County Council is willing to consider funding and he would like to keep that option available.

Mr. Degginger noted the difficulty of this issue due to conflicting goals. Bellevue has fought hard to receive increased transit service. However, now the problem arises about how buses can be accommodated.

Mayor Marshall suggested further discussions with both Wasatch and King County/Metro. Mr. Sparrman will bring the issue back to Council before the end of the year.

## 9. Public Hearings

- (a) Third Public Hearing on the 2005-2006 Preliminary Budget and the 2005-2011 Preliminary Capital Investment Program (CIP) Plan

Finance Director Jan Hawn said tonight is the third and final public hearing on the 2005-2006 Budget and the 2005-2011 Preliminary Capital Investment Program (CIP) Plan. Budget adoption is scheduled for December 6.

- ➡ Deputy Mayor Noble moved to open the public hearing, and Mayor Marshall seconded the motion.
- ➡ The motion to open the public hearing carried by a vote of 7-0.

The following citizens came forward to comment on the budget and CIP Plan:

- (1) Jackie Swett asked Council to include NAMI-Eastside (National Alliance for the Mentally Ill) in its 2005-2006 budget. She described her experience with mental illness and the valuable assistance and job training provided to her by NAMI-Eastside. Ms. Swett's activities include leading a mental health and spirituality support group and working as a mentor for others struggling with mental illness.
- (2) David Plummer noted his written comments urging Council to direct staff to include in the budget the revenue to be generated by the Lincoln Square and Overlake Hospital Medical Center projects. He urged Council to eliminate the proposed critical areas notebook project, the Bel-Red Road corridor land use/transportation study, and staff's proposed economic development budget allocation.
- (3) Leslie Lloyd, Bellevue Downtown Association, encouraged Council's support of economic development funding, the creation of an economic development strategic plan, and an emphasis on developing a branding campaign for the community.
- (4) Mike Rynas, Executive Director of NAMI-Eastside, asked Council to: 1) reconsider funding for NAMI-Eastside for 2005-2006, and 2) support mental health parity during the upcoming state legislative session. He noted that 2005 Medicaid cuts will result in a \$30-\$100 million decrease in state mental health revenue. Washington is one of 13 states that has not passed a mental health parity bill.
- (5) Bruce Nurse, Kemper Development Company, opined that fire, life safety, and police are top priorities for city government and should therefore be covered in the budget with existing revenue. He feels the increase in business and occupation (B&O) tax revenues over the years should pay for the increased demand for fire inspection services. Mr. Nurse learned from Kemper's insurance broker that the difference in insurance premiums based on a Class 2 or Class 3 fire rating is small or non-existent. Further, newer and larger projects are classed as Highly Protected and are not affected by the city's overall rating. Mr. Nurse suggested inspecting the lowest risk occupancies in the community every two years rather than annually.
- (6) Evelyn Zeller commented on the NE 24<sup>th</sup> Street (Northup Way to 130<sup>th</sup> Avenue NE) bikeway/walkway project. She thanked Council and the Transportation Commission for



their supportive and favorable response to residents' concerns regarding safety on this stretch of NE 24<sup>th</sup> Street. She thanked Rick Logwood and staff for working with residents to develop a design that addresses safety concerns. Ms. Zeller requested additional funding for the project, noting it has strong support within the community.

- (7) Kathy Putt, Comcast Cable, spoke against the proposed 4.8 percent cable utility tax, which has been recommended by staff to offset declining telephone utility tax revenues. Comcast does not currently offer voice-over-Internet-protocol (VOIP) and is therefore not a factor in declining telephone tax revenues. Comcast provides digital telephone service within the city limits, which is subject to the telephone utility tax. Ms. Putt noted cable TV customers already pay a 5 percent franchise fee and a new 25-cent PEG fee.
- (8) Jennifer Hildebrand, Associate Executive Director, said the Rental Housing Association of Puget Sound believes that fire safety inspections are part of basic government services. RHA opposes the proposed fire inspection fee but understands the potential need for re-inspection fees to follow up on violations.
- (9) Lou Novak, RHA, said fire inspections should be provided as a basic government service. He encouraged Council to prioritize fire and police services over the arts. He noted that newer buildings are primarily sprinklered and encouraged the City to use revenue generated by new development to cover fire inspections.
- (10) Karyn Kuever, RHA, opposes the proposed fire inspection fee, particularly for low-income housing providers. She inspects properties under her management at least twice annually and more often in cases in which tenants have caused any problems, such as removing batteries from smoke detectors.
- (11) Charles Spaeth, RHA, questioned why fire and life safety services have traditionally been covered within the General Fund yet there is now a need for additional funds for fire inspection services.
- (12) T.J. Woosley, Hal Woosley Properties, spoke against the proposed fire inspection fee. He feels fire and police services should be funded from the general tax base. Imposing fire inspection fees conflicts with the goal of enhancing the business environment within Bellevue.
- (13) Bob Nolan spoke against the proposed cable utility tax. He suggested increasing revenue from cellular phone towers to compensate for revenue lost through declining telephone utility tax collections.
- ➡ Deputy Mayor Noble moved to close the public hearing, and Mayor Marshall seconded the motion.
- ➡ The motion to close the public hearing carried by a vote of 7-0.
- 10. Land Use: None.

11. Other Ordinances, Resolutions and Motions

- (a) Ordinance No. 5562 amending the 2003-2009 Capital Investment Program (CIP) Plan to create a new CIP project: 97<sup>th</sup> Place SE/SE 11<sup>th</sup> Street Slide Treatment Alternatives Analysis (Proposed CIP Plan No. PW-M-16).

David Berg, Assistant Transportation Director, described the need to study earth movement in the vicinity of 97<sup>th</sup> Place and SE 11<sup>th</sup> Street and to identify project alternatives. The cost of the alternatives analysis is \$120,000 and will be funded by General CIP funds made available in the NE 29<sup>th</sup> Connection project by the acceptance of additional City of Redmond contributions to the NE 29<sup>th</sup> project.

Dr. Davidson noted the history of a slide that required replacement of the road. He supports a better permanent solution in the interest of public safety.

➡ Deputy Mayor Noble moved to adopt Ordinance No. 5562, and Mr. Lee seconded the motion.

➡ The motion to adopt Ordinance No. 5562 carried by a vote of 7-0.

- (b) New City Hall Contingency Accounts

Planning and Community Development Director Matt Terry said construction on the New City Hall project is underway and things are going well. The contractor has advised adjustments to the existing approved budget to facilitate final bids associated with the project. Staff proposes rebalancing existing contingency accounts to better manage the potential risks as construction proceeds. The requested change does not affect the total project budget.

➡ Deputy Mayor Noble moved to authorize staff to transfer \$360,000 from the buyout contingency if funds are available after bidding the remaining work, or from the owner's contingency if buyout funds are not available, to the GC/CM contingency provided Lease Crutcher Lewis agrees to release remaining bid packages for bid by a date in November to be determined by staff. Dr. Davidson seconded the motion.

➡ The motion to authorize staff to transfer contingency funds as described carried by a vote of 7-0.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16.     Adjournment

At 9:50 p.m., Mayor Marshall declared recess and announced that Council will return to the Study Session to resume discussion.

Myrna L. Basich  
City Clerk

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